

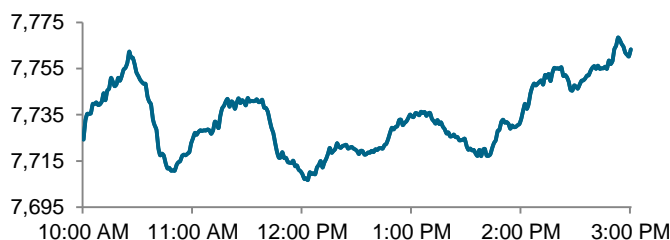
DAILY MARKETS OVERVIEW

25 SEPTEMBER 2018

السوق السعودي
Saudi Fransi Capital
Distinguished Service, Outstanding Performance



TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	7,768	0.5	2.3	7.5	17.1
Saudi (NOMU)	2,585	-0.6	-0.3	-17.7	8.5
Energy	4,844	1.0	2.6	13.2	16.5
Materials	5,605	1.1	2.3	10.9	17.8
Capital Goods	3,624	-0.4	-0.4	-16.5	13.8
Com. & Prof. Svc	4,407	0.2	-0.1	4.8	19.1
Transportation	3,729	-0.3	1.0	-7.1	22.6
Cons. Durables & Apparel	3,593	-0.2	-0.3	-13.2	NA
Consumer Services	3,145	-1.1	3.0	-14.6	17.8
Media	11,923	-0.5	-2.0	54.1	NA
Retailing	6,147	0.1	2.5	9.1	23.2
Food & Staples Retailing	5,717	0.9	5.4	1.9	42.3
Food & Beverages	4,020	-0.3	-0.9	-17.9	25.7
Health Care Equipment	3,733	-2.5	-4.7	-16.0	17.7
Pharma, Biotech & Life Science	4,162	0.2	1.9	4.8	26.8
Banks	6,774	0.6	3.0	23.1	12.4
Diversified Financials	3,503	0.1	1.3	-13.1	NA
Insurance	3,823	-0.3	1.5	-19.1	31.2
Telecommunication	4,977	-0.1	0.9	17.1	16.0
Utilities	3,563	0.2	-2.1	-21.9	NA
REITs	3,687	0.6	0.9	-20.4	NA
Real Estate	3,537	0.0	5.1	-24.7	29.0

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
The Mediterranean & Gulf Insurance & Reinsurance Co.	14.00	6.1%	26.5
Tabuk Cement Co.	12.14	4.3%	3.0
Al Alamiya for Cooperative Insurance Co.	36.25	3.6%	8.2
Dur Hospitality Co.	20.50	3.5%	3.1
Saudi Steel Pipe Co.	21.92	3.4%	21.0

Source: Tadawul

Upcoming General Assembly Meetings

Company	Date
Fawaz Abdulaziz Alhokair Co.	25-Sep-18
Saudi Investment Bank	26-Sep-18
Abdullah Al Othaim Markets Co.	26-Sep-18
Middle East Specialized Cables Co.	27-Sep-18
Filing and Packing Materials Manufacturing Co.	30-Sep-18
Halwani Bros. Co.	1-Oct-18

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of September 25, 2018
(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- TASI closed 0.5% higher at 7,768 while NOMU ended 0.6% lower at 2,585 on Thursday. TASI traded value totaled SAR 2.3bn and averaged SAR 2.4bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 46.5% of the daily traded value.
- Banks and Materials ended 0.6% and 1.1% higher, respectively. Telecom ended 0.1% lower. Materials sector (up 1.1%) was the best performer. Among stocks, The Mediterranean & Gulf Insurance & Reinsurance Co. (8030/MEDGULF AB), Tabuk Cement Co. (3090/TACCO AB), and Al Alamiya for Cooperative Insurance Co. (8280/ALALAMIY AB) led the gainers.
- S&P Global Platts revealed that crude production in the oilfields jointly operated by KSA and Kuwait in the neutral zone could restart by January, adding up to 400,000 barrels per day (bpd) in supplies at full ramp-up. (Source: Argaam)
- KSA's Minister of Energy and his Russian counterpart stated they would not bend to pressure to increase production to counter higher prices. They also reiterated that OPEC and non-OPEC members are more than capable of countering growing demand. (Source: Argaam)
- KSA's Public Pension Agency (PPA) stated the total number of retirees increased by 53,900 persons, or 7.0% Y/Y, to 835,700 in 2017. Total payouts, including regular and one-time payments, stood at SAR 695bn (USD 185bn) at the end of 2017, while total disbursements grew 3.0% Y/Y to SAR 67.8bn (USD 18.1bn) in 2017. (Source: Argaam)
- Saudi Aramco's CEO stated that talks to acquire a majority stake in Saudi Basic Industries Corp. (2010/SABIC AB) are at an early stage, but the proposed acquisition of the petrochemicals major is central to Saudi Aramco's plans to diversify its revenue stream. (Source: Reuters)
- Aramco Trading Company (ATC), a wholly owned subsidiary of Saudi Aramco, expects to increase its oil trading volume to 6.0mn bpd in 2020, up 50% from current levels. (Source: Reuters)
- Saudi Basic Industries Corp. (2010/SABIC AB) hired banks to arrange a series of fixed-income investor meetings ahead of its proposed dual-tenor US dollar-denominated bond issue. (Source: Reuters)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
Saudi Fisheries Co.	17.00	-4.9%	18.1
Dallah Healthcare Holding Co.	60.70	-4.4%	21.2
Saudi Enaya Cooperative Insurance Co.	20.24	-3.5%	12.3
Halwani Bros Co.	46.55	-3.0%	0.9
Middle East Healthcare	35.90	-2.8%	38.2

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Saudi Basic Industries Corp.	122.40	2.5%	308
Alinma Bank	20.98	0.6%	267
Al Rajhi Bank	84.50	1.7%	177
Dar Alarkan Real Estate Development Co.	9.44	-0.6%	172
Saudi Kayan Petrochemical Co.	16.64	0.9%	134

Source: Tadawul

DAILY MARKETS OVERVIEW

25 SEPTEMBER 2018

السعودية الفرنسي كابيتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,753	-0.3	-0.4	-18.3	7.3
Abu Dhabi (ADX)	4,889	-0.1	0.1	11.1	12.9
Kuwait (KSE)	5,187	0.0	-0.4	1.2	16.0
Qatar (QE)	9,732	-0.4	-0.4	14.2	14.5
Oman (MSM)	4,453	-0.7	-0.9	-12.7	11.0
Bahrain (BSE)	1,356	0.3	1.2	1.8	9.2
DJMENA Index	554	-0.2	-0.3	5.1	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,919	-0.4	-0.4	9.2	21.1
US (NASDAQ 100)	7,993	0.1	0.1	15.8	24.4
UK (FTSE 100)	7,458	-0.4	-0.4	-3.0	16.6
Germany (DAX)	12,351	-0.6	-0.6	-4.4	14.5
France (CAC 40)	5,476	-0.3	-0.3	3.1	17.5
Russia (MICEX)	2,430	0.1	0.1	15.2	6.6
Japan (Nikkei)	23,870	0.0	0.0	4.9	NA
Hong Kong (HSI)	27,499	-1.6	-1.6	-8.1	10.4
South Korea (KOSPI)	2,339	0.0	0.0	-5.2	NA
China (SHCOMP)	2,797	0.0	0.0	-15.4	NA
India (NIFTY)	10,967	-1.6	-1.6	4.1	22.9
Brazil (IBOV)	77,984	-1.8	-1.8	2.1	NA
Turkey (BIST 100)	99,547	1.6	1.6	-13.7	7.5
Egypt (EGX30)	14,201	0.8	0.8	-5.4	12.9
MSCI Emerging Markets	1,042	-0.9	-0.9	-10.0	12.6
MSCI World	2,193	-0.3	-0.3	4.3	18.8

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	81.2	3.0	3.0	21.4	37.6
Natural Gas (\$/mmbtu)	3.0	2.0	2.0	8.2	2.8
Gold (\$/oz)	1,199	0.0	0.0	-8.2	-8.5
Silver (\$/oz)	14.3	-0.2	-0.2	-16.4	-17.0
Platinum (\$/oz)	827	-0.1	-0.1	-11.1	-12.2
Copper (\$/t)	6,355	-0.4	-0.4	-11.8	-0.8
Zinc (\$/t)	2,562	2.5	2.5	-23.2	-19.0
Lead (\$/mt)	2,029	1.7	1.7	-18.7	-19.3
Wheat (\$/bu)	527	1.0	1.0	13.2	-0.6
Corn (\$/bu)	361	0.9	0.9	-6.1	-9.2
Sugar (\$/lb)	11.2	-3.9	-3.9	-26.2	-28.4

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	2.37	0.00	0.68	0.00
Saudi Arabia	2.65	0.00	0.76	0.28
UAE	2.62	0.00	0.82	0.25
Kuwait	1.94	0.00	0.06	-0.44
Qatar	2.68	0.00	0.03	0.30
Bahrain	3.58	0.00	0.85	1.20

Source: Reuters

NOTES: (1) Prices updated as of September 25, 2018 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- US markets ended mixed on Monday. S&P 500 declined 0.4% while NASDAQ closed 0.1% higher. Dow Jones Industrial ended 0.7% lower. In Europe, UK declined 0.4% while Germany and France closed 0.6% and 0.3% lower, respectively.
- Asian markets are trading mixed on Tuesday. China is trading 0.8% lower, while Japan is up 0.1%. South Korea and Hong Kong are closed for trading, while India is trading 0.2% lower.
- GCC markets ended mixed on Monday. Dubai and Abu Dhabi declined 0.3% and 0.1%, respectively. Kuwait ended flat while Qatar closed 0.4% lower. Oman declined 0.7% while Bahrain ended 0.3% higher.
- S&P Global Platts revealed that Brent crude could see a revision of its price assessment methodology, adding that it is proposing two major changes in the way it calculates the price of Brent. (Source: Argaam)
- OPEC in its World Oil Outlook 2018 revealed that oil is expected to remain the fuel with the largest share in the energy mix through 2040, raising long-term oil demand upward for the second consecutive year, with demand at over 111.7mn bpd in 2040. (Source: Trade Arabia)
- The Joint OPEC-non-OPEC Ministerial Monitoring Committee (JMMC) revealed, following its 10th meeting in Algiers, that the compliance of OPEC and non-OPEC producers with the Vienna oil output deal reached 129% in August. (Source: Trade Arabia)
- The UAE's central bank revealed the UAE gross bank assets totaled AED 2.8tn (USD 762bn) by the end of August 2018, 3.9% up from AED 2.7tn (USD 733bn) at the end of December 2017. (Source: Zawya)
- Statistics Centre – Abu Dhabi (SCAD) revealed that the Export Unit Value Index in the Emirate of Abu Dhabi was up to 87.3% in 2Q18, representing growth of 7.6% Y/Y from 81.2% in the same period in 2017. (Source: Zawya)
- Oman Oil Refineries and Petroleum Industries Company (Orpic) revealed the country's most anticipated transformational project, Liwa Plastics Industries Complex (LPIC), is currently 67% complete across all four of its engineering, procurement, and construction (EPC) packages. (Source: GulfBase)
- The UAE's Emirates National Oil Company (ENOC) recently opened five new service stations in Dubai, expanding its network to 122 stations in the UAE. The group is on track to increase its fuel retail presence by 40% by 2020. (Source: Trade Arabia)
- Dubai-based Union Properties (UPP UH) denied media reports that it plans to merge with another developer. (Source: Trade Arabia)

Coming Up

- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended September 21 (prior: -5.3mn barrels) will be announced tomorrow. (Source: Econoday)
- US jobless claims for the week ended September 22 (prior: 201K; consensus: 210K) will be announced on September 27. (Source: Econoday)
- Change in US' 2Q18 GDP (prior: 4.2% Q/Q) will be announced on September 27. (Source: Econoday)



Contacts

RESEARCH & ADVISORY

Research&Advisory@FransiCapital.com.sa

SAUDI FRANSI CAPITAL

Call Centre

800-125-9999

Website

www.sfc.sa

SAUDI FRANSI CAPITAL (CLOSED JOINT STOCK COMPANY OWNED BY BANQUE SAUDI FRANSI)

Licensed by the Capital Market Authority to conduct all securities business activities. license Number 11153-37

C.R. 1010231217 - Paid Up Capital 500,000,000 S.R.

Head Office: 8092 King Fahd Road - Riyadh 12313-3735 - Kingdom of Saudi Arabia

Mailing Address: P.O. Box 23454 - Riyadh 11426

Tel: +966 11 282 6666 - Fax: +966 11 282 6667

Disclaimer

The information in this report was prepared for the purpose of viewing public information only. This information was gathered in this report from various public sources believed to be reliable. Whilst all reasonable care has been taken to ensure that the facts, the forecasts, and expectations contained in this report are accurate. Saudi Fransi Capital makes no representations or warranties whatsoever as to the accuracy of the data and information provided and, in particular, Saudi Fransi Capital is not held responsible that the information in this report is complete or free from any error.

This report is not considered to be construed as, an offer or solicitation of an offer to buy or to sell any financial securities or adapt an investment or trading method. Saudi Fransi Capital accepts no liability whatsoever for any loss arising from any use of this report or its contents.

This report provides information of a general nature and is not intended to provide investment advice and does not take into account the reader's financial situation or any specific investment objectives which the reader may have. Before making any investment decision, the reader should seek an independent advice from his financial advisor due to the investment in such kind of securities may not be suitable for all.